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Gary, Elbert Henry

Address by Elbert H. Gary:

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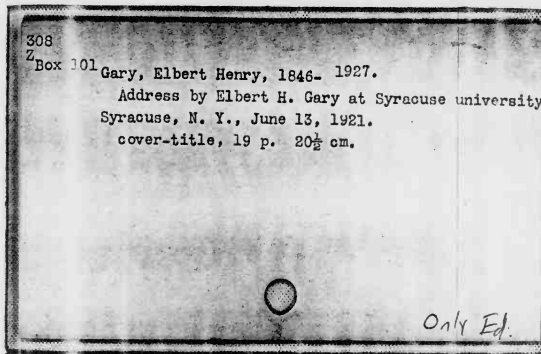
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ADDRESS BY

ELBERT H. GARY

AT

SYRACUSE UNIVERSITY

SYRACUSE, N. Y.

JUNE 13, 1921

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p. 1

ADDRESS BY

ELBERT H. GARY

AT COMMENCEMENT EXERCISES OF SYRACUSE UNIVERSITY
SYRACUSE, NEW YORK

JUNE 13, 1921

OPPORTUNITY

NOT long since I was in consultation with twenty or more middle-aged gentlemen for two days in succession concerning subjects of more than ordinary importance involving economic, social and political consequence. There were displayed ability, concentration of thought, fairness, clearness in logical expression, and wisdom in conclusions quite unusual. These men occupy business positions of great responsibility and they are receiving large compensation. Without exception they began life under humble and impecunious circumstances, and when old enough to work were employed on farms or in shops. Step by step, with honest, persistent strides they advanced from one position to another, interrupting their progress from time to time in earlier years only to secure education additional to what they had acquired before old enough to work. Not all of them obtained a collegiate training, which is essential to the biggest achievements. Each has saved sufficient amounts to make secure the comforts of life for himself and family. Many of them, to my knowledge, are liberal in contributing to the welfare of

others in their respective communities. Down through the ranks of employes from which these men were promoted on their merit, are large numbers of others who are progressing in the same direction and manner. If in any business enterprise the policy or method is different, it is because of the practice of promoting only for seniority in time of employment or other restriction imposed by union labor leaders, and not because of limitation contained in constitutional or other legal provisions. I am well acquainted with these men and during the discussion referred to, and since that time, there has been focussed in my mind a more complete conception of the word opportunity as applied to all of us who are privileged to reside in the United States of America, and this word has been selected as the subject of my remarks on this occasion.

There is an expression, too frequently used, that the world owes each individual a living and occasionally it is foolishly sought to support the claim by citing the acknowledged principle that all men are created free and equal. But every fundamental law or rule of conduct relating to this subject means no more and no less than the right of equal protection and opportunity. Every person who constantly recognizes this fact and acts accordingly is of service and benefit to himself or herself and all others; and every one who disputes and disregards it antagonizes and attacks the general community, including himself or herself, and is an obstruction to civilized progress.

The more one studies the published and undisputed facts and figures, the more convinced one is that, by comparison with the inhabitants of all other countries throughout the world, from the beginning of time, the people now living in

this country have the greatest opportunity for success in every department of worthy endeavor.

The Constitution of the United States and all existing laws administered in accordance with its provisions guarantee life, liberty and pursuit of happiness to every individual without discrimination, the punishment for crime, and, so far as humanly possible, the redress for wrong; and the abolition, modification or interpretation of these laws is controlled by a majority of the legal voters, which by the voluntary action of the individual may include every one admitted to the country for residence upon compliance with conditions applicable to all alike. There is no limit to individual opportunity nor lack of freedom in all respects, except such as may be necessary for the protection of the general welfare.

The geographical location of the United States is such that its soil and climate furnish a sound and unchanging foundation for health, comfort and economic progress. There is every facility for utilization of the great and increasing resources which a kind Providence has bestowed. In finance, religion, education, including the arts and sciences, professions, trades, commerce and every calling for personal advancement there is no restriction, no preferment, no privilege offered to or binding upon any one to the prejudice of another, and taken as a whole, the opportunity for progress in every laudable undertaking is the greatest that has ever existed in any country.

For these reasons increasing numbers of immigrants have been coming to our shores from other lands where the nature of the laws or their administration or lack of the essentials for comfort, happiness and prosperity have seemed to make it necessary or desirable to emigrate. These immigrants,

with some exceptions, have been worthy, intelligent, law-abiding and, in every particular, first-class, in the true and honorable sense of the expression, have adapted themselves to our laws and customs, and have adopted this country as theirs, so that they are Americans to the same extent they would have been had they been born here. Recognizing opportunities existing here before leaving the country of their birth, they have appreciated them more since their arrival; have taken advantage of them and most of them have improved and increased their learning in various lines of science, art, mechanics and other branches; have established themselves in good places and are respected as citizens of high standing and influence. Of course, as always, everywhere, some of these have been less successful, and still others have failed, for even this country simply offers opportunity for success; it does not and could not guarantee it.

Among the foreigners leaving the countries of their birth for reasons best known to themselves, and who have not prospered in the United States, are men and women actuated from good and others from bad motives. This has been especially noticed during the late colossal military struggle. They have included vicious, evil-minded men, perhaps some of them criminals who for that reason abandoned their places of birth, though there may not have been more of these in proportion to the total than would be found among native-born Americans. A certain number have come to this country, particularly during the war, with the real, if not avowed, purpose of making trouble; and they have persuaded others, including both foreign and native born and embracing perhaps a few good men, to participate in movements that were antagonistic to the general welfare. It is not proposed at this time to

further specify or discuss the question of immigration or immigrants except to say they have generally come here for praiseworthy reasons, have been welcome, and are a part of our best citizenship.

The theme selected for the present discussion applies equally to American born and to foreign born who have permanently located here. There is and should be no discrimination between them. All are apt to fail in the realization of the splendid opportunities which are offered. However thankful and loyal and patriotic we may be, we are still lacking in full appreciation. Those with well-filled stomachs do not, perhaps cannot, fully comprehend the meaning of hunger. The same idea applies to health and sickness, to happiness and misery, riches and poverty. And in America, our climate is so fine, our wealth so vast, our chances for making a comfortable living so great, our churches and schools so numerous, our professionals so accomplished, our workmen so loyal, fair and competent, our employers so reasonable and considerate, and our people so patriotic, generally speaking, that we often, if not usually, fail to acknowledge the advantages and blessings which have been accorded to us. We do not consider how much worse conditions might be nor how much better here than they are in other lands.

These observations have a bearing upon one of the most important subjects prominently under discussion at the present time throughout the world, commonly spoken of as "capital and labor." In many instances the claims are unreasonable and illogical, in others unfair and in some malicious. Usually the radical man who claims to represent labor speaks or writes on the one hand as though he referred to those who work with their hands, although he does none of it

himself; and on the other hand, to all others. This is not a proper classification. This character of speaker often depicts the "laborer" as hard worked, poorly treated and a constant sufferer. Speaking accurately, those who work hardest, longest hours, have most responsibility and cares, most causes for anxiety and worry, labor little with their hands; and their work not infrequently continues a large part of the day and into the night. Their burdens often are very heavy. Many are poor in worldly goods. Still they do not ordinarily complain. They enjoy success in their undertakings regardless of monetary gains; and many are pecuniarily successful, which is desirable from the viewpoint of being able to distribute a part of their earnings amongst others less fortunate in this respect, if for no other reason.

However, there is nothing to be said against and everything in favor of the unskilled man who labors with his hands, though I prefer the man who *talks* less in favor of the working man and *does* more for him. We are more convinced of the sincerity of a man who has shown by long experience that he has accomplished something in the direction of improving the living and working conditions and safety of the workmen and the education, comfort and entertainment of their families. Talk is very cheap and sometimes quite profitable to the speaker. It is not the workmen themselves who talk the loudest or longest concerning their disadvantages. It is others, who are unaccustomed to hard work and who would, for their own profit, exploit the workmen.

Labor and capital alike recognize their interdependence. Outsiders often seek to antagonize them. This is especially true of many self-appointed labor union leaders. I do not indulge in personalities.

In addressing capitalists and employers or the general public I have many times expressed my views pertaining to labor and have proclaimed the rights and interests of workmen and their families and also the obligations of employers. What I have said on these occasions I would not change or modify, but would, if possible, further emphasize. I insist the large majority of employers or managers of business are more solicitous for the welfare of the workmen, and do more to promote their comfort and happiness, than outsiders ever have done or were disposed to do. I am familiar with the affairs of one business concern employing large numbers of workmen which has appropriated for welfare work during the last nine years over \$85,500,000.

In the world's history labor, so called, was never heretofore more highly respected nor treated as liberally as it is today. This is not ground for boasting. It is good business policy. A keen and high sense of propriety and a full consciousness of the fact that it has been demonstrated to be profitable to the employer to treat the workman fairly will insure to the latter full justice.

I deem it appropriate in this presence to briefly discuss the rights of and the necessity for capital.

Capital, as commonly understood, is the accumulation of money or other property. It has been urged by those claiming to speak in behalf of the workmen, that capital is the product of labor and therefore the possessor and owner of capital should have less, or at least no more, than the workmen, to say in regard to its management. In this list are found some well-meaning men, though I think they are lacking in reliable information.

Concerning the suggestion that the workmen have pro-

duced the capital whose managers employ them, it appears to me that, on the assumption they have received liberally fair compensation for their labor and have been otherwise properly treated, then the net profits of capital belong to the one who earns or owns the original investment and who devotes his time, talent, thought, energy and ability, assumes all responsibility and risk, and furnishes money to compensate the workman who makes no investment except his labor, which is paid for. Even though the capital employed in any given enterprise may have been inherited, it was earned in the same way by the ancestor or ancestors. In these days capital is offering to the workmen the privilege of investing in its enterprises by the purchase of securities at low rates on the installment plan. This I thoroughly approve. It enables them to become partners, and, to the extent of their holdings, share in the profits, management, and in proper proportion charges them with responsibility and losses, if any. There is much that could be said on this proposition.

The whole discussion comes to the point that every one has like opportunity to accumulate capital. The fact that one may have less natural ability, or is more extravagant in expenditure, less economical, energetic or saving than another and therefore accumulates less, does not militate against the insistence that opportunities are equal to all.

There are many reasons why the accumulation of capital should be encouraged and protected; why its possession by an individual, a corporation or a state has always been and will continue to be considered honorable and desirable.

First of all it is probably the greatest incentive to mental and physical activity, to enterprise and application, to development and discovery. Fundamental to all progress

toward the realization of ambition for success in any department of human endeavor are the necessities of life—food, raiment and shelter. Unless these are provided, it is useless to moralize or philosophize. Every one desires protection against physical want and suffering. In this respect humans are not different from the squirrel, the ant or the bee, except we do or should look further ahead. And we know what can be done with accumulated capital.

Therefore all mankind is endeavoring to secure capital, some for today and this week or month, others for the future comforts of himself and family, and many for worthy objects with which there may be no close or direct relation.

It is because we all understand the proper uses and demands for capital that we strive to obtain and accumulate it. To secure it we must exert ourselves, our brain, muscle and strength, we must study, think and experiment. We must be patient and persistent in order to maintain our rightful position in the competitive contest for a share in all that opportunity offers. If every dollar earned was to be forcibly distributed among those who earn nothing, including the unscrupulous and slothful, ambition would slacken and energy weaken. No young man present on this occasion is just to himself unless he believes and indeed feels that he knows he can accumulate more or less wealth, and he will not be fair to the community if he does not, so far as honesty and propriety permit, add to his capital for such uses as may be laudable. And the idea applies to women as well.

If one inquires whether or not it may be assumed that every person may be or desires to be rich, or that the same is or should be the chief aim in life, the answer positively is negative; but that the possession of more or less wealth is a

natural and a strong incentive for strenuous activity in the different departments of human life there is no reasonable doubt.

Many, perhaps the large majority, prefer success in a great variety of other lines of influence. Although the multitudes must be fed, clothed, sheltered and properly administered to, of course their moral improvement is of the first importance; but there are also many other essentials to be provided. They should be educated in all branches of knowledge. They should be protected against harm, imposition, suffering and undue hardships.

In the selection of vocations or professions, there are many, including the clergy, teachers, physicians, lawyers, judges, statesmen, etc.; some choose one line and some another; some are lucrative, others not; all are supposed to provide a living though I must say the clergy, the judges, the professors and the statesmen are very poorly compensated for the services they render. In their opinion and probably in the estimation of most of us they have the greatest opportunity for real success.

I can think of no more honorable or fortunate position in life, nor one with greater opportunity to assist in furthering the cause of a sound, permanent and righteous civilization, than the one occupied by the head of a great university or college whose students number hundreds or thousands of intelligent and ambitious young people. Under his or her leadership and administration there are formed principles and policies which are fundamentally essential to the future weal or woe of a nation. The head of a great educational institution, aided by a competent staff of assistants, has the agreeable task of moulding the characters, improving the

minds and broadening the education of human beings, who, if properly instructed, will exert an influence for good throughout the world that in advance cannot be measured or limited by the instructor. What a chance is given to the tutor for doing something to benefit humanity! In this connection it is pertinent to suggest that with this privilege there is attached a stupendous responsibility; but this applies to every great undertaking. If the young, keenly perceptive and susceptible mind inculcates false or unsound doctrines, a permanent injury is inflicted, not only to the individual but to the world's community of individuals.

There are many other distinguished lines of occupation that, if time permitted, might be mentioned in this connection. Men and women throughout the world have become so prominent that their names will stand out in history as benefactors and many have died without much, if any, property. All honor to them.

And yet this does not furnish argument in favor of poverty. Rather it is proof of the necessity of capital. Money is essential to provide facilities for preparing one to accomplish the best results in any profession or calling. Educational institutions, including universities, colleges, schools of all kinds, laboratories, etc., are necessary and it requires money to establish and support them.

Churches, libraries, hospitals, many kinds of galleries relating to science, art and mechanics, for exhibition or study, and public institutions innumerable are requisite for the building up, maintenance and protection of a nation and for the spiritual and educational growth of its people; and they could not exist except for the contributions which come largely from accumulated capital.

Simply for the purpose of suggesting that many benefactions would never have been made except for the enormous accumulation of wealth by men who started with little or no capital, your attention is called to the contributions of Mr. John D. Rockefeller, aggregating at least \$475,000,000, and of Mr. Andrew Carnegie, amounting to about \$400,000,000. Your minds will immediately recall munificent gifts of large amounts by hundreds of other men and women. The benefit to the human race resulting from the generosity referred to is beyond estimation.

The material progress and prosperity of any and every country are to an enormous extent the result of large capital. Without these the inhabitants would be neither happy nor comfortable. If we eliminate the banks of deposit, the factories, the stores, the ships, the railroads, and a thousand other things that accumulated capital supports, civilization itself would be supplanted by tribal conditions when every tribe and every member would, by the use of force and cunning, strive to secure the necessities of life proffered by nature.

Accumulated capital provides the facilities for development, improvement, extension and application of natural resources. This could not be done by small contributions of money.

In times of war—God grant there may be no more military conflicts—every one must be convinced there cannot be a victorious defense except by the prompt and liberal use of money. The thirty-five billion dollars, or whatever sum was necessary for the mobilization and equipment of troops, their transportation and maintenance, our own and those of other countries, and many other things not necessary to mention,

came from contributions by large capital. While it is true that thousands of dollars were contributed through the purchase of bonds, or otherwise, by individuals of comparatively small means, the large sums were advanced by those who were moderately wealthy or very rich; and immediate supplies of money in vast amounts were required. It was fortunate for this nation, for the world and for civilization itself that this country was rich. The immense sums needed by our Government, for its uses and for loans to our associates in the war, for the Red Cross, Young Men's Christian Association, Young Women's Christian Association, Salvation Army, Knights of Columbus, and many other relief organizations, could not have been fully supplied by small or moderate subscriptions in time to meet the emergencies which confronted us.

A single industrial concern of this country during the late war furnished for the military necessities of the United States and associates in the war, steel aggregating approximately 18,500,000 tons, valued at \$1,400,000,000. It purchased Government Liberty and Victory Loan issues amounting to about \$112,000,000; expended for extensions to producing plants and other property in order to enable it to meet the demands for steel and proprietary products a total of about \$300,000,000. Assuming other business concerns engaged in the same line of industry supplied steel to relatively the same extent and made proportionate expenditures and investments, there was furnished by the industry as a whole approximately 35,000,000 tons of steel of a value of \$2,600,000,000 and an outlay for expenditures and investments of \$750,000,000. Government officials stated and repeated at various times that, without the assistance thus

rendered, victory to the Allies would have been long delayed, if not prevented.

Except for the accumulated capital invested in business enterprises and the working capital to maintain and extend them, millions of men and women who work for wages or salaries would be without a chance to earn a decent living. Capital creates the channels of economic progress; it lubricates the wheels of industry. To the extent a nation is without capital in a corresponding degree are its industries in a state of decay and its people impoverished and despondent.

In short, for a desirable and proper degree of comfort, contentment, happiness, advancement in any direction, protection against disease and destruction, every inhabitant of every land is dependent upon individually accumulated capital. This is elementary, fundamental and almost universally conceded.

The only alternative which has been suggested is that the Government shall forcibly take possession and control of all capital and distribute the income derived from it amongst the people *per capita*. Without taking time to analyze or discuss the many reasons against the idea, it is sufficient to say at present that this would inject into the natural system of national and individual life a poison which would eventuate in destruction. It would smother ambition, enervate the body, remove competition for legitimate success in every line of activity, destroy incentive for development and progress, and create a nation of laggards, weaklings and paupers. Slight motive for succeeding in any natural and honest direction would exist if the final results were to be applied for the equal benefit of others.

Growing out of the illogical and condemnatory doctrine

above described, is another even worse. It is, and for some months past has been, in practice at places outside of the United States. It rejects the right of an individual to enjoy the fruits of natural ability and integrity, of study and mental effort, thrift and economy and it substitutes the law of physical force which permits the strong and powerful to forcibly appropriate all that belongs to another, including property and even family. This virulent and abhorrent disease, masquerading under different names, has been gnawing at the vitals of Russia. Anarchy is a generic term for it. Sovietism is most commonly used at present. It has spread and destroyed. Its germs purposely have been secretly carried to America and efforts made to inoculate our splendid citizenship. If our people will study the facts about this vital question, as they should do concerning every important matter, there will be no epidemic here; they will learn and act accordingly. Homes will not be robbed and desecrated here through anarchy and brute force. Capital, whether invested in charitable, religious, educational institutions, or commercial or industrial enterprises, will be protected and, as a corollary, the rights of all the people without discrimination will be conserved.

If it should be urged that accumulated wealth exceeding certain amounts and possessed by organized capital should be subjected to governmental inquiry and restriction in its uses, there might be no objection to a fair and reasonable enactment covering this question, provided organized labor should also be subjected to the same statute.

In discussions of this kind we reach the only sane and safe conclusion that all groups, or so called classes, whether officials, capitalists, employers, managers, workmen, skilled

or unskilled, professionals, artists, mechanics, soldiers, or tradesmen, without any distinction must be protected and all their rights preserved. Each and every person and interest must continually and continuously enjoy the benefits of and be subject to the provisions and requirements of our splendid Constitution and the laws of the land. The door of opportunity for legitimate advancement is open to both capital and labor. Both should be grateful for the privilege. Neither should be permitted to abuse it.

The platform of labor union leaders is the antithesis of the principle of equal opportunity. From the written demands of labor union leaders I quote:

"Standard scales of wages in all trades and classifications of workers.

"Check-off system of collecting union dues and assessments.

"Principles of seniority to apply in maintenance, reduction, and increase of working force.

"Abolition of company unions.

"Abolition of physical examination of applicants for employment."

The meaning of these demands is that labor unions claim, and insist for all workmen who are members of labor unions, that wages in all trades and classifications of workers, as determined by union labor leaders, shall be the same regardless of individual qualification, industry, work done, or disposition; that employers shall deduct from the wages of a union laborer the amount of dues and assessments which may be made by the labor leaders from time to time and turn the same over to these leaders; that in maintaining the number of union labor workmen, increasing the force or reducing the

force in any department, by promotions or otherwise, preference shall be given to the workman who has been longest in the employment without reference to merit or capability; that all shop arrangements between employes or committees of employes, and their employer, shall be abolished and all matters between employer and employe turned over to the labor union leaders; and that there shall be no opportunity for physical examination of applicants for employment in order to determine whether or not the applicant is afflicted with disease, contagious or otherwise, which might endanger the health or life of other employes. In opposition to the purposes of these demands, employers generally, and also unorganized labor comprising from 85% to 90% of the total employes, stand for equal opportunity, reward upon the merits embracing promotion for qualification, energy, honesty and character, and protection to the health of co-employees.

Industrially, the individual can realize the full advantage of the opportunities which this country offers only through the principles of the open shop as distinguished from the dominance and arbitrary control of the union labor leaders. The open shop means freedom to the employe to engage in any line of employment, at any place and time, upon terms and conditions voluntarily agreed upon between the employe and employer. The closed shop means that one desiring employment can secure a place only on terms approved by the union labor leader or leaders having jurisdiction over the particular closed shop. The closed shop contracts directly with the labor leader, by virtue of which conditions of employment and operations are fixed. As a rule, if not universally, and invariably in practice, no one is permitted to

engage or remain in employment in the closed shop unless he is a member of a labor union and carries the union card. The employe is restricted in quantities of production, particular kind and character of work, in promotion, regardless of just deserts, and in many other respects detrimental to his freedom and independence. The arrangement compels every one desiring employment in the closed shop to join the union, pay his initiation fee and the assessments made by the leaders from time to time, all of which are considerable and usually very burdensome. Union labor leaders generally publicly refuse to acknowledge some of the important facts concerning unionism and they make various claims against the open shop which are not based on facts. Lack of time does not permit of further reference to this question now.

In case of doubt the truth should always be ascertained by careful inquiry of employers and of non-union employes. The safe rule for any man engaged in any line of employment is to remain free and independent, reserving for himself every advantage that is vouchsafed by our Constitution and laws. The great majority of the people of this country stand for the open sea, open ports of all countries, open covenants with other nations, open discussion of all proper questions, and the open shop; and with this freedom and justice to all.

Equality of opportunity is the keynote to national and individual success and contentment. This idea I believe is the avowed doctrine of our present Administration, from the President throughout the whole governmental structure and will be intelligently and faithfully applied. Therefore, we have reason to look forward with confidence, expecting increasing prosperity in all directions as the months pass by.

In addressing the graduates of this great university I may

be permitted to urge that as you have the best prospect for success that has been offered through all time, you are under great obligations to yourselves and to all others to make the most and the best of your opportunities.

By the exercise of diligence, courage, fair and honest insistence, the careful study and consideration of all important questions, with conclusions only after reading or hearing both sides and ascertaining the facts, you will wonderfully succeed in any line you may adopt and will exert an influence in the community which will be potential and highly creditable to yourselves and to your *alma mater*.

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